EFFECT OF STRESS ON EMPLOYEE PERFORMANCE: A STUDY CONDUCTED IN LIFE INSURANCE SECTOR OF INDIA

Chetna Mahaur¹
Research Scholar
Email: chetnamahaur@rediffmail.com

J.K. Tandon²
Professor
¹,² Jaipur National University, India

ABSTRACT
The study is aimed at investigating the impact of stress on the performance of employees of life insurance sector. The sample is composed of 200 employees collected from the cities of Agra, Aligarh, Bareilly, Moradabad and Meerut. Data analysis is done through regression analysis. The result revealed that the stress is affecting the performance of the employees in life insurance sector negatively.

Keywords: Stress, Employee performance, Insurance sector

INTRODUCTION
Within an organization, the natures of the workplace and the working conditions have been rapidly changing. Contemporary workplaces now depend entirely on human capital with an increased knowledge, mind set, greater reliance on technology and a thirst for organizational efficiency and process optimization (Dollard, 2003). With this change there is an increased obligation over the employees to perform at high level of intensity. On the other hand managerial supervision forces them to improve both qualitative and quantitative aspects. Consequently it gives rise to increased level of employee resistance stemming from an environment fuelled by conflict and stress.

Stress at work is a well known factor for low motivation and morale, decrease in performance, high turnover and sick leave, reduced job satisfaction, low quality products and services, poor internal communication and conflicts etc. (Schabracq and Cooper, 2000; Murphy 1995; McHugh, 1993). Most of the companies nowadays have managers working long hours, at a fast pace in a competitive organizational culture, where a significant portion of employees are under notice of having their employment terminated.

In management stress is defined as ‘a response of the human body to a felt need’. This definition suggests that stress is a desirable condition making one move towards the fulfillment of needs. Stress also occurs when the need arises out of fear and the urge is to escape. Stress is a dynamic condition in which an individual is confronted with an opportunity, a demand or a resource related to what the individual desires, and for which the outcome is perceived to be both uncertain and important (Schuler, 1989). (Cox et.al, 2000) states that it is useful to think of stress as embedded in an ongoing process which involves individuals interacting with their environment, making appraisals of those interactions and attempting to cope with the problem that arises.
LITERATURE REVIEW

Stress has significant impact on company and people performance and it dreadfully affects health of employees (Shah et al., 2012). Rubina et al. (2008) found a negative relationship between job stress and job performance. However, male employees were found to be affected more than their female counterparts. Ahmad and Ramzan (2013) investigated a negative relationship between stress and job performance.

Job stress has been considered rising and it has become a challenge for the employer. High level of stress results in low productivity, increased absenteeism and generation of other employee problems (Meneze, 2005). Personality factors are found to have an inclination towards stress, anxiety and other job health outcomes in different area of medicines. These factors may result into a feeling of job dissatisfaction and stress (Michie and Williams, 2003).

METHODOLOGY

Data was collected from the employees of insurance companies by conducting surveys through questionnaire and direct interview method. Data was collected from a sample of 200 employees through random sampling method.

OBJECTIVES

To find the effect of stress on employee performance.

HYPOTHESIS

Ho1# There is no impact of stress on employee performance.

DATA INTERPRETATION

Data analysis was conducted by Regression method.

<table>
<thead>
<tr>
<th>TABLE 1.1 Model Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), ROLE CONFLICT

As indicated in table 1.1, R (0.536) indicates correlation coefficient between stress and performance of the employees. However, R-square indicates 28.7% of the variability in the dependent variable employee performance.

<table>
<thead>
<tr>
<th>TABLE 1.2 ANOVA*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>Regression</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

a. Dependent Variable: ROLE OVERLOAD

b. Predictors: (Constant), ROLE CONFLICT

As depicted in table 1.2, F is statistically significant at a level of 0.05 as p-value 0.000<0.05. This suggests a linear relationship between stress and employee performance.
As evident from table 1.3, p-value 0.000< 0.05. Thus we can say that there is an impact of stress on employee performance. Stress is affecting the employee performance negatively.

RESULT
Hypothesis is rejected.

CONCLUSION
The findings reveal that stress is affecting the employee performance negatively among the employees of life insurance sector. Therefore it is important to understand it and manage it in such a way so that the employees may perform to the best of their abilities.

REFERENCES